

GENERAL FUND FINANCING

County general fund operations are financed with four major types of funding: departmental program revenue, Prop. 172 revenue, realignment revenue, and countywide discretionary revenue.

Departmental program revenue includes fees, service charges, and state and federal support for programs such as welfare, health care, and behavioral health. Prop. 172 revenue is restricted and is used solely for financing the Sheriff, District Attorney, and Probation departments. Realignment revenue is also restricted and used in financing mental health, social services and health programs within the County.

The balance of departmental costs not funded by departmental program revenue, Prop. 172 revenue, and/or realignment revenue is considered local cost. Local cost is funded by countywide discretionary revenue, such as property tax and vehicle license fees as well as other financing sources such as use of reserves, fund balance, and operating transfers.

The following pages describe in more detail Prop. 172 revenue, realignment revenue and countywide discretionary revenue that assists in financing general fund departments.

PROP. 172

Proposition 172 (Prop. 172), which became effective January 1, 1994, placed a one-half percent sales tax rate in the state's constitution and required that revenues from the additional one-half percent sales tax be used only for local public safety activities, which include but are not limited to sheriffs, police, fire protection, county district attorneys, and county corrections. Funding from Proposition 172 enabled counties and cities to substantially offset the public safety impacts of property tax losses resulting from the state property tax shift to the Educational Revenue Augmentation Fund (ERAF).

Pursuant to Government Code 30054, of the total revenue allocated for San Bernardino County by Prop. 172, 5.0% is distributed to cities affected by the property tax shift, and 95.0% remains within the county.

On August 22, 1995, the County of San Bernardino Board of Supervisors (BOS) approved the recommendation that designated the following departments to receive the county's 95.0% share of Prop. 172 revenue, consistent with Government Code Section 30052, and authorized the Auditor/Controller to deposit the county's portion of the Prop. 172 receipts as follows:

➤ Sheriff	70.0%
➤ District Attorney	17.5%
➤ Probation	12.5%

Prop. 172 revenue represent a significant funding source for the Sheriff, District Attorney, and Probation. Each year, as part of the budget development process, projections of Prop. 172 revenue growth are developed based on staff analysis of revenue trends and forecasts provided by outside economists.

Growth in Prop. 172 revenue is used first to fund mandated cost increases in these departments, such as inflation, MOU adjustments, or court-ordered detention facility staffing. Any revenue beyond what is needed to fund mandated costs is used to meet other high priority needs as recommended by the department and approved by the Board. In most years mandated cost increases consume the vast majority of Prop. 172 revenue growth.

Until 2002-03, all Prop. 172 revenue received was distributed to the designated departments. However, in 2002-03, an unexpected increase in Prop. 172 revenue caused an excess of actual over budgeted Prop. 172 revenue. This excess totaled approximately \$2.8 million. In 2003-04, an additional excess of actual over budgeted revenue occurred; the 2003-04 excess was \$12.3 million. Upon Board approval, in 2003-04 the Sheriff and District Attorney were granted increases in revenue and appropriations in the amount of \$4.8 million and \$0.6 million respectively to cover unanticipated departmental costs. The remaining \$9.7 million excess remains in a restricted general fund (AAG) and is the beginning balance starting 2004-05.

PROP. 172 REVENUE IN 2004-05				
	Beginning Fund Balance (AAG)	Budgeted Revenue	Budgeted Department Usage	Estimated Ending Fund Balance (AAG)
Sheriff	5,823,419	79,100,000	79,100,000	5,823,419
District Attorney	2,021,954	19,775,000	19,775,000	2,021,954
Probation	1,846,889	14,125,000	15,250,000	721,889
Total	9,692,262	113,000,000	114,125,000	8,567,262

This Prop. 172 fund does not directly spend funds or provide service. It is strictly a financing budget with the actual expenditures occurring within the operating budget units of the departments that receive Prop. 172 revenue.

It is anticipated that the Sheriff and District Attorney will utilize 100 percent of the current year budgeted revenue, while Probation will utilize 100 percent of the current year budgeted revenue as well as a portion of the excess one-time revenue currently in AAG.



REALIGNMENT

In 1991 the state shifted responsibility for a number of mental health, social services, and health programs to counties. This shift, known as Realignment, resulted in the creation of two dedicated funding streams to pay for the shifted services: a ½ cent Sales Tax and a change in the depreciation schedule for vehicles which resulted in a 24.33% increase in Vehicle License Fee (VLF) revenues. Each of the three service areas identified was required to have their own separate accounts established and each of those service areas receive a different share of statewide Realignment revenues.

Within the mental health area, the programs for which the county is now responsible for are: community-based mental health programs, State Hospital services for county patients, and Institutions for Mental Disease. Within the social services area, the programs for which the county is now responsible for are: the county revenue stabilization program and the county justice subvention program. Within the health area, the programs for which the county is now responsible for are: AB8 county health services, local health services, medically indigent services, and the county medical services program.

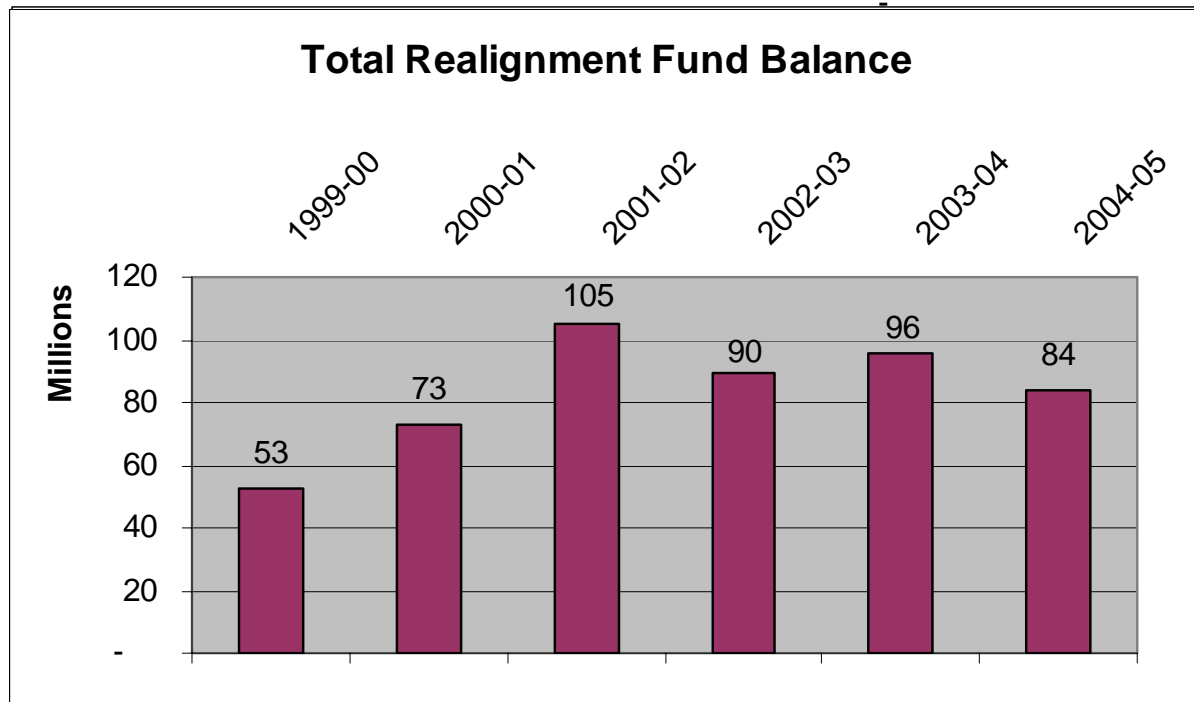
In addition to these program responsibility shifts, a number of programs had changes made to their cost sharing ratios. Below are the programs involved in the cost sharing ratio changes (numbers are shown in percentages in the order of state/county shares of cost). For example, prior to realignment Foster Care costs were funded by 95% state resources and 5% county resources. Now Foster Care is funded by 40% state resources and 60% county resources, which is a significant impact to the county.

	From State/County	To State/County
Social Services programs:		
Foster Care	95/5	40/60
Child Welfare Services	76/24	70/30
Adoption Assistance	100/0	75/25
CalWORKs	89/11	95/5
County Services Block Grant	84/16	70/30
Greater Avenues for Independence	100/0	70/30
Social Services administration	50/50	70/30
In Home Supportive Services (IHSS)	97/3	65/35
Health programs:		
California Children's Services	75/25	50/50

The Realignment program has some flaws in its design that adversely impact County of San Bernardino revenues. First, is San Bernardino's status as an "under equity county," meaning that the county receives a lesser share of revenue relative to other counties based on population and estimated poverty population. Revenue distributions among counties were determined by expenditures in the programs that were transferred just prior to the adoption of Realignment. San Bernardino County was under equity in those programs. Realignment did attempt to address the inequity issue, but the effort fell short. The county continues to be under equity at this time and barring any legislative action the amount of inequity will increase over time. As growth occurs in the revenue streams, that incremental new funding is distributed on existing sharing arrangements between the counties. The counties that are already over equity get a higher percentage of the new revenue while those that are under equity get less.

In addition to the under equity issue is the fact that the demand for the services the county is providing and the revenue streams funding them are both sensitive to the economy. When the economy is doing well, demand for services is reduced and sales taxes and vehicle license fees revenues are high. When the economy does poorly, demand for services is high, but revenues under perform. The realignment funds recovered from earlier difficulties and built up a substantial available fund balance which peaked at the end of the 2001-02 year, as seen in the graph on the following page.





In the 2002-03 year, those fund balances began to be depleted as revenues shrank, demand for services increased, and expenses increased. Since these programs are now the County's responsibility, if there is insufficient growth in realignment revenue and/or no fund balance available to pay for the cost of these programs, the County will have to start using its countywide, discretionary revenue to cover the costs. Of note in this graph is that the fund balance ending 2004-05 at the far right is 68.5% Health fund balance; the other two funds continue to draw down fund balance for ongoing expenditures. Social Services, which funds caseload driven mandated programs, is projected to have a negative \$0.8 million fund balance at the end of 2004-05. Thus requiring additional general fund support.

Budget History for All Realignment Funds

	ACTUAL 2002-03	BUDGET 2003-04	ACTUAL 2003-04	FINAL 2004-05
Beginning Fund Balance	105,261,868	76,611,548	89,594,217	95,906,647
Revenue	171,180,931	170,635,192	179,759,269	183,229,554
Department Usage	186,848,582	200,613,769	173,446,839	195,133,856
Ending Fund Balance	89,594,217	46,632,971	95,906,647	84,002,345
Change in Fund Balance	(15,667,651)	(29,978,577)	6,312,430	(11,904,302)

Revenue is expected to increase year-over-year, primarily as a result of sales tax growth. It is important to note that for the foreseeable future all sales tax growth will accrue to the Social Services fund to pay for mandated caseload increases for which funding was unavailable in prior years. This will adversely affect the Mental Health and Health funds since they will see no increase in sales tax revenue until sales tax growth is sufficient to fund the additional caseload costs in Social Services.

Department Usage is expected to exceed revenue mainly due to the under equity issue discussed above. However, in 2003-04 actual department usage is less than revenue primarily because the actual realignment transferred to the Arrowhead Regional Medical Center (ARMC) was \$14.1 million dollars less than anticipated due to ARMC's increased insurance revenues and improved collections.

The 2004-05 year end fund balance is projected to decline by 12.5% or approximately \$12.0 million due to increased demand for services from the Social Services programs.



SUMMARY OF REALIGNMENT BUDGET UNITS FOR 2004-05

	Estimated Beginning Fund Balance	Budgeted Revenue	Budgeted Departmental Usage	Budgeted 10% Transfers	Estimated Ending Fund Balance	Estimated Change in Fund Balance
Mental Health	27,737,929	55,626,137	56,123,885	-	27,240,181	(497,748)
Social Services	12,207,706	70,931,212	83,891,709	-	(752,791)	(12,960,497)
Health	55,961,012	56,672,205	55,118,262	-	57,514,955	1,553,943
Total	95,906,647	183,229,554	195,133,856	-	84,002,345	(11,904,302)

The Realignment budgets do not directly spend funds or provide service. They are strictly financing budgets with the actual expenditures occurring within the operating budget units of the departments that receive Realignment revenue.

The Realignment legislation does allow for some flexibility in usage of funds at the county level. Upon action by the Board of Supervisors, a county can transfer 10% of a given years revenue from one fund to another. San Bernardino County has used the provision repeatedly over the years to help support either the health or social services programs. The County did not perform a 10% transfer in 2003-04 and is not budgeting one for 2004-05. However, in the event that such transfer is needed, Board of Supervisors approval is required.

The next three pages contain the breakdown of the three individual realignment funds.



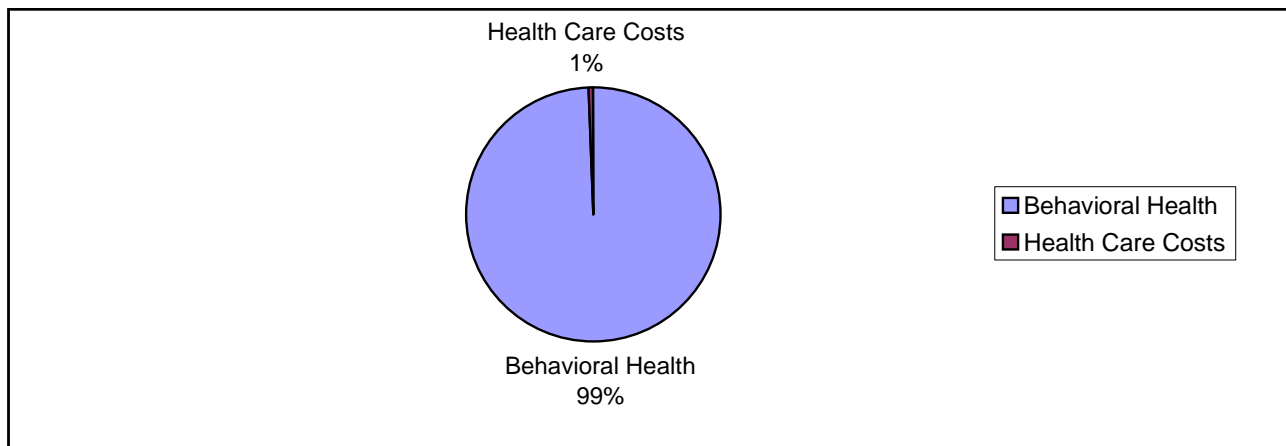
Mental Health

	ACTUAL 2002-03	BUDGET 2003-04	ACTUAL 2003-04	FINAL 2004-05
Beginning Fund Balance	48,310,313	25,433,662	33,012,231	27,737,929
Revenue	55,047,078	55,201,458	55,723,908	55,626,137
Department Usage	65,245,160	67,192,114	60,998,210	56,123,885
10% Transfers	(5,100,000)	(5,337,670)	-	-
Ending Fund Balance	33,012,231	8,105,336	27,737,929	27,240,181
Change in Fund Balance	(15,298,082)	(17,328,326)	(5,274,302)	(497,748)

Mental Health fund revenue is composed of approximately 2/3 sales tax and 1/3 VLF. Revenue is expected to climb slowly since any growth in sales tax will be dedicated to Social Services to fund caseload growth. In conjunction with the County Administrative Office, the Behavioral Health Department has developed a plan to significantly reduce expenditures in an effort to bring department usage in line with revenues. As seen in the table above, this plan has been successful in reducing fund balance used from \$15,298,082 in 2002-03 to \$5,274,302 in 2003-04 and a budgeted \$497,748 in 2004-05. Implementation of this plan has significantly improved the financial position of the Mental Health fund.

Breakdown of Department Usage of Mental Health Realignment

	ACTUAL 2002-03	BUDGET 2003-04	ACTUAL 2003-04	FINAL 2004-05
Behavioral Health	64,951,853	66,873,463	60,752,520	55,800,627
Health Care Costs	293,307	318,651	245,690	323,258
Total Department Usage	65,245,160	67,192,114	60,998,210	56,123,885



Social Services

	ACTUAL 2002-03	BUDGET 2003-04	ACTUAL 2003-04	FINAL 2004-05
Beginning Fund Balance	27,347,751	16,447,227	18,382,037	12,207,706
Revenue	59,451,489	59,742,774	65,828,105	70,931,212
Department Usage	73,517,203	78,653,534	72,002,436	83,891,709
10% Transfers	5,100,000	5,337,670	-	-
Ending Fund Balance	18,382,037	2,874,137	12,207,706	(752,791)
Change in Fund Balance	(8,965,714)	(13,573,090)	(6,174,331)	(12,960,497)

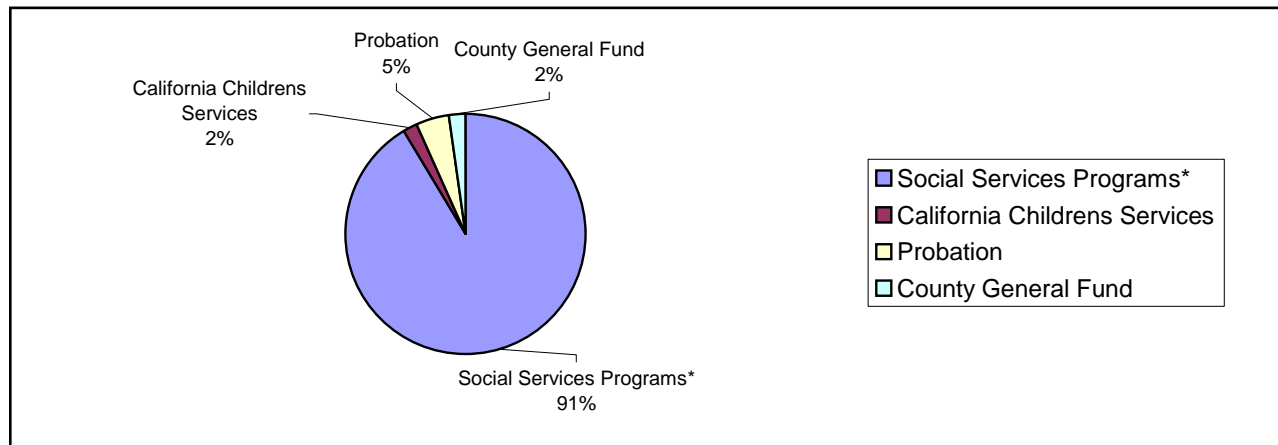
Revenue for Social Services is 96.0% sales tax and 4.0% VLF. The social services revenue has been particularly hard hit by the poor performance of statewide sales tax collection. Actual sales tax collection has been insufficient to keep up with rising costs in the mandated programs. Continued caseload cost increases as well as operational cost increases for liability insurance and increased salary and benefit costs will likely result in growing demand for additional financing for these programs.

As anticipated in last year's projections, Social Services will require additional general fund support in 2004-05.

Breakdown of Department Usage of Social Services Realignment

	ACTUAL 2002-03	BUDGET 2003-04	ACTUAL 2003-04	FINAL 2004-05
Social Services Programs*	65,795,951	71,015,863	68,726,596	76,754,038
California Childrens Services	1,438,041	1,538,041	1,476,840	1,538,041
Probation	4,484,211	4,300,630	-	3,800,630
County General Fund	1,799,000	1,799,000	1,799,000	1,799,000
Total Department Usage	73,517,203	78,653,534	72,002,436	83,891,709

* Soc. Svcs. Programs include: IHSS, Foster Care, Seriously Emotionally Disturbed, and Administrative Claim Matches



Health

	ACTUAL 2002-03	BUDGET 2003-04	ACTUAL 2003-04	FINAL 2004-05
Beginning Fund Balance	29,603,804	34,730,659	38,199,949	55,961,012
Revenue	56,682,364	55,690,960	58,207,256	56,672,205
Department Usage	48,086,219	54,768,121	40,446,193	55,118,262
10% Transfers	-	-	-	-
Ending Fund Balance	38,199,949	35,653,498	55,961,012	57,514,955
Change in Fund Balance	8,596,145	922,839	17,761,063	1,553,943

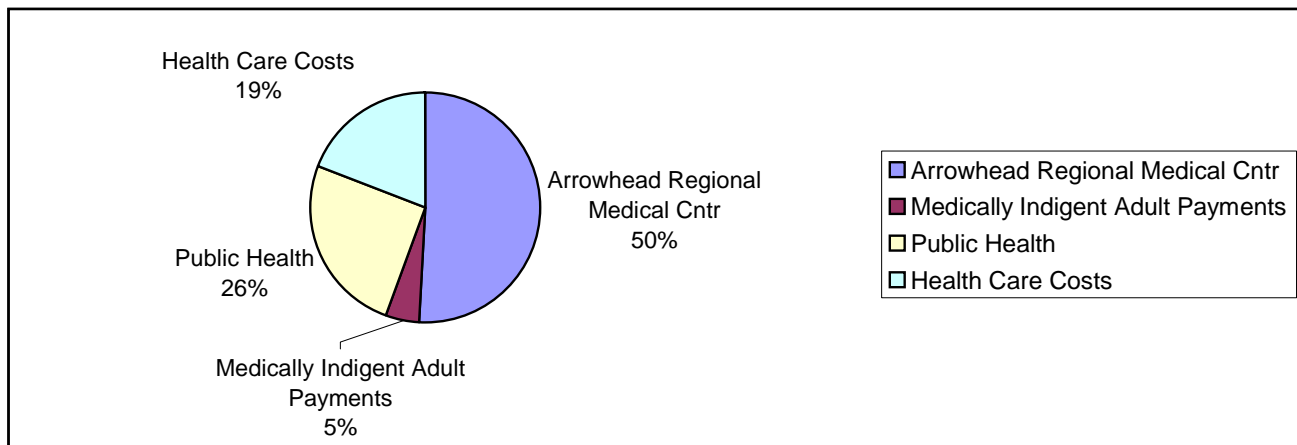
Health realignment revenue is composed of approximately 1/3 sales tax and 2/3 VLF. Within Health, departmental usage have been brought into line with ongoing revenue by not providing realignment increases to pay for rising salary and benefit costs. As a result, the departments have effectively experienced a budget cut due to inflation and the rising costs associated with salaries and benefits. The slight increase in realignment usage in 2004-05 for Public Health reflects a backfill of lost SB 90 revenue from the state, and is for cash flow purposes until the state provides reimbursement.

Other programs funded by Health realignment are Medically Indigent Adult (MIA) Payments and Health Care Costs. The MIA budget funds payments to non-county hospitals for treatment of MIA patients. The Health Care Costs budget unit helps pay for the ARMC debt service.

The 2003-04 actual department usage for ARMC is significantly lower than budgeted as ARMC experienced a better financial position than anticipated, due to its cancellation of third party agreements, improved collections, and increased patient volume.

Breakdown of Department Usage of Health Realignment
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	ACTUAL 2002-03	BUDGET 2003-04	ACTUAL 2003-04	FINAL 2004-05
Arrowhead Regional Medical Cntr	28,232,816	28,000,000	13,933,600	28,000,000
Medically Indigent Adult Payments	1,252,689	2,550,000	2,550,000	2,550,000
Public Health	13,693,643	13,908,689	13,726,094	14,078,852
Health Care Costs	4,907,071	10,309,432	10,236,499	10,489,410
Total Department Usage	48,086,219	54,768,121	40,446,193	55,118,262



Budgetary Note: Financial information presented in this Realignment budget section is consistent with state reporting requirements for the Realignment funds. The state's reporting requirements are not consistent with the county's implementation of GASB 34 as it relates to

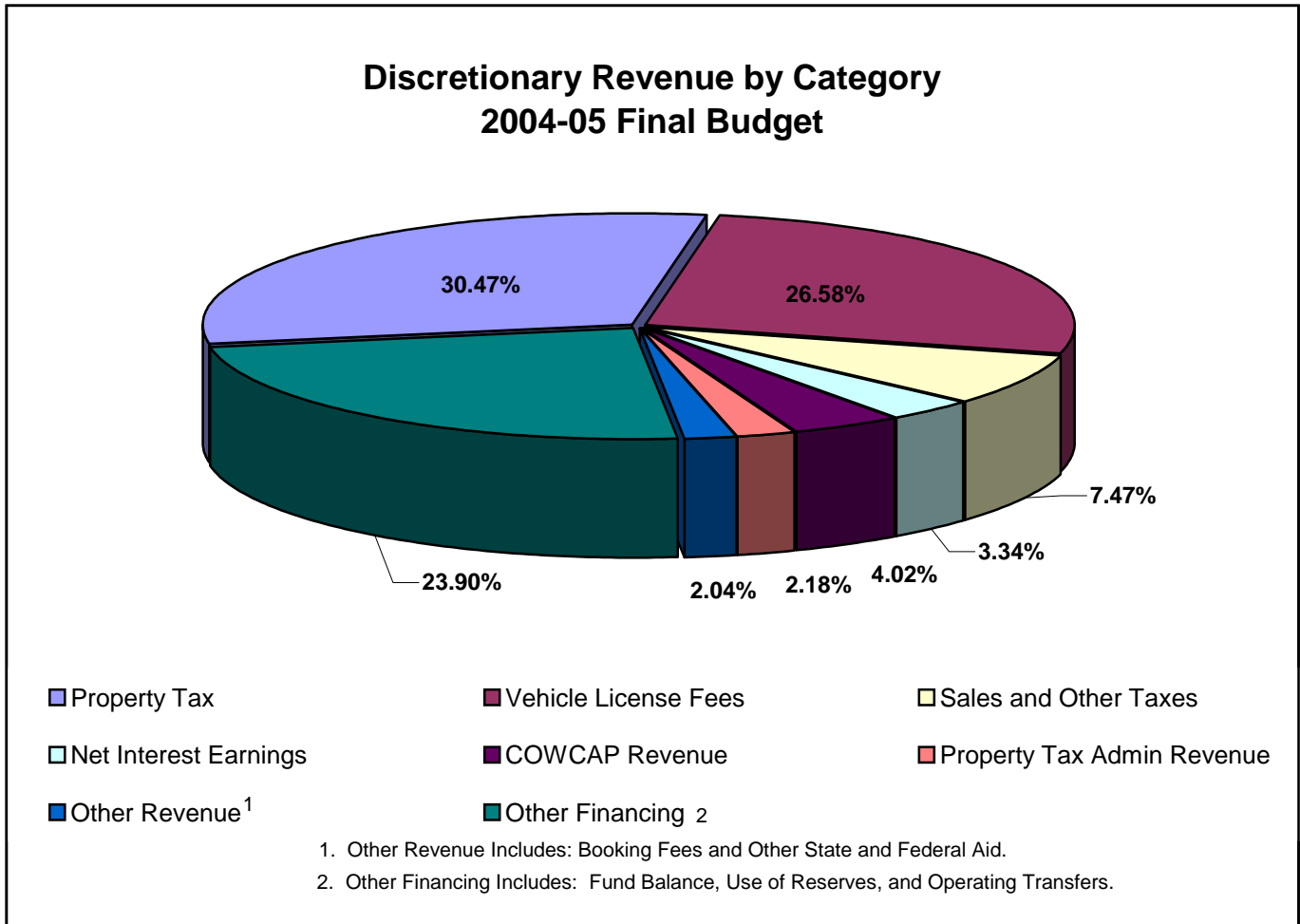


revenue accrual. As such, within the county's accounting system, an adjustment will be made to show the correct revenues in accordance with the county's accrual procedures. This is a revenue timing issue only as a result of delays by the state in distributing growth revenue.



COUNTYWIDE DISCRETIONARY REVENUE

Gross local cost financing for 2004-05 is \$489,062,819. Shown below are the sources of local cost financing:



**COUNTYWIDE REVENUES AND OTHER FINANCING
WHICH PAY FOR GENERAL FUND LOCAL COST**

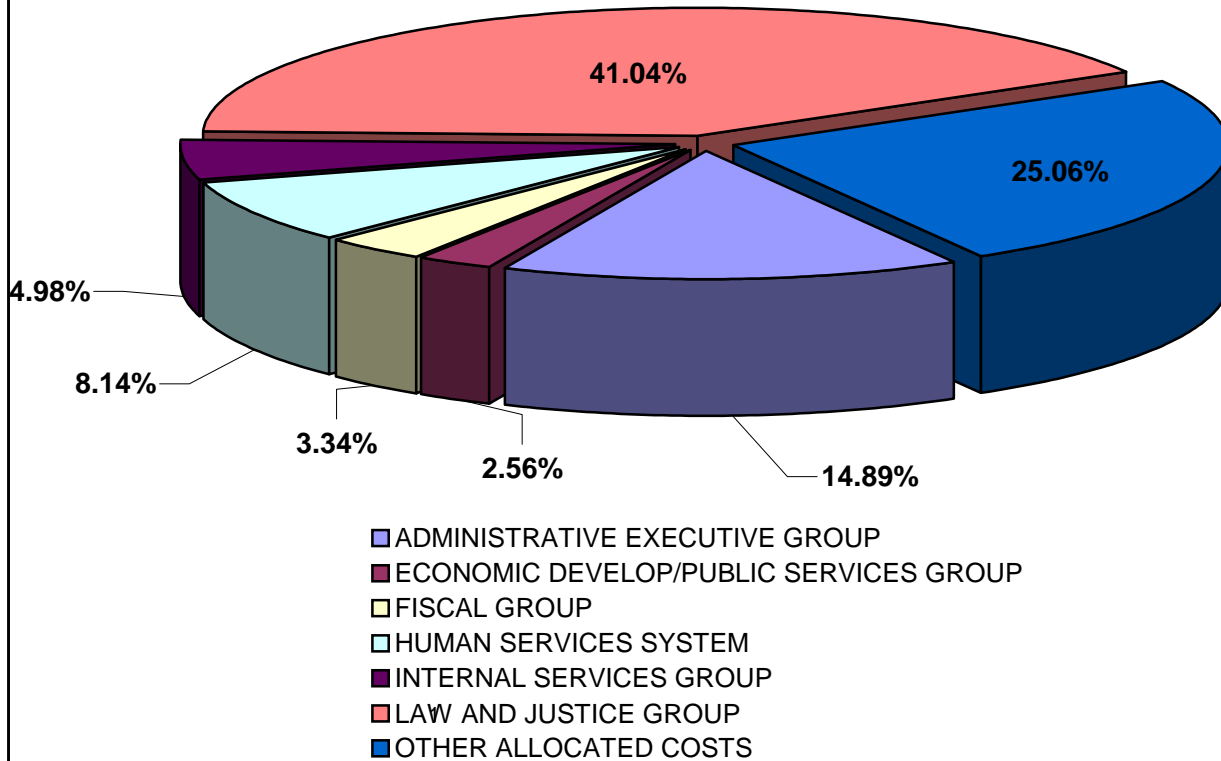
	2003-04 Final Budget	2003-04 Actuals	2004-05 Final Budget
Countywide Revenues			
Property Taxes:			
Current Secured, Unsecured, Unitary	125,905,507	132,022,200	137,207,735
Supplementals	4,885,025	6,102,778	5,275,827
Penalty on Current Taxes	1,135,599	1,862,768	1,135,599
Prior Property Taxes, Penalties and Interest	5,366,233	6,337,896	5,366,233
Total Property Taxes	137,292,364	146,325,642	148,985,394
Vehicle License Fees	124,974,967	94,583,162	129,971,160
Sales and Other Taxes	31,429,066	34,923,247	36,533,790
Net Interest Earnings	14,600,000	18,901,705	16,351,000
COWCAP Revenue	20,847,838	20,847,792	19,661,157
Property Tax Admin Revenue	9,395,173	9,032,344	10,651,703
Booking Fee Revenue	3,937,000	5,050,623	3,937,000
Other State and Federal Aid	3,329,275	3,546,541	3,619,799
Other Revenue	2,430,000	3,448,182	2,430,000
Subtotal of Countywide Revenues	348,235,683	336,659,239	372,141,003
Other Financing			
Fund Balance, beginning	55,946,725	55,946,725	88,029,109
Use of Reserves	1,160,949	9,678,823	1,154,301
Operating Transfers	34,740,153	37,937,033	27,738,406
Subtotal of Other Financing	91,847,827	103,562,581	116,921,816
TOTAL	440,083,510	440,221,820	489,062,819

The most significant sources of county local cost financing are property tax and vehicle license fees. These two sources account for \$278,956,554 or 75.0% of countywide revenues. Year-end fund balance available for financing is \$88.0 million. Operating transfers includes transfers into the county general fund from the Courthouse and Criminal Justice Construction funds, Solid Waste Management, and the use of \$18.6 million of the tobacco settlement funds, of which \$15.0 million is to be applied towards the Arrowhead Regional Medical Center Debt Service.



Local Cost Analysis

**Local Cost by Group
2004-05 Final Budget**



1. Allocated Costs Include: Contingencies, Reserve Contributions, and Operating Transfers Out.

Countywide discretionary revenues are allocated to various county departments as local cost. The above pie chart shows what percentage of the local cost is allocated to each of the groups.

The schedule on the following pages shows a comparison of prior year local cost and current year local cost by department. This schedule also includes appropriations and revenues, including operating transfers, which are mechanisms to move financing between the various county budget units. Operating transfers are presented in the following chart because the intended purpose is to provide a complete picture of the department's appropriation and revenues. Operating transfers are excluded from the countywide appropriation and revenue summaries presented in the beginning of this section, as their inclusion would overstate countywide appropriations and revenues on a consolidated basis.



Department Title	Final Budget 2003-04:			Final Budget 2004-05:			Change Between Final 2003-04 & Final 2004-05:		
	Appropriation	Revenue	Local Cost	Appropriation	Revenue	Local Cost	Appropriation	Revenue	Local Cost
BOARD OF SUPERVISORS (ALL DISTRICTS)	3,812,528	0	3,812,528	3,583,001	0	3,583,001	(229,527)	0	(229,527)
LEGISLATIVE COSTS	474,914	0	474,914	439,898	0	439,898	(35,016)	0	(35,016)
CLERK OF THE BOARD	912,389	62,500	849,889	931,404	66,500	864,904	19,015	4,000	15,015
COUNTY ADMINISTRATIVE OFFICE	3,466,745	0	3,466,745	3,232,502	0	3,232,502	(234,243)	0	(234,243)
COUNTY ADMINISTRATIVE OFFICE-LITIGATION	400,000	0	400,000	363,681	0	363,681	(36,319)	0	(36,319)
COUNTY ADMINISTRATIVE OFFICE-JOINT POWERS LEASES	20,467,787	0	20,467,787	22,537,293	0	22,537,293	2,069,506	0	2,069,506
COUNTY COUNSEL	7,102,029	3,777,460	3,324,569	8,577,085	5,256,611	3,320,474	1,475,056	1,479,151	(4,095)
HUMAN RESOURCES	8,157,864	3,103,566	5,054,298	5,380,631	302,500	5,078,131	(2,777,233)	(2,801,066)	23,833
HUMAN RESOURCES-EMPLOYEE HEALTH AND WELLNESS	30,000	30,000	0	35,000	35,000	0	5,000	5,000	0
HUMAN RESOURCES-UNEMPLOYMENT INSURANCE	2,700,000	0	2,700,000	4,000,000	0	4,000,000	1,300,000	0	1,300,000
INFORMATION SERVICES-EMERGING TECHNOLOGY	1,593,869	274,900	1,318,969	1,447,618	245,320	1,202,298	(146,251)	(29,580)	(116,671)
INFORMATION SERVICES-SYSTEMS DEVELOPMENT	10,136,609	4,480,501	5,656,108	9,342,373	3,755,256	5,587,117	(794,236)	(725,245)	(68,991)
HEALTH CARE COSTS	135,628,083	120,628,083	15,000,000	135,812,669	120,812,669	15,000,000	184,586	184,586	0
BEHAVIORAL HEALTH	121,296,698	119,453,945	1,842,753	114,699,507	112,856,754	1,842,753	(6,597,191)	(6,597,191)	0
BEHAVIORAL HEALTH-OADP	20,063,339	19,913,881	149,458	20,577,850	20,428,392	149,458	514,511	514,511	0
PUBLIC HEALTH	73,611,885	72,967,163	644,722	76,224,425	75,572,315	652,110	2,612,540	2,605,152	7,388
CALIFORNIA CHILDREN'S SERVICES	10,723,433	9,185,392	1,538,041	12,713,007	11,174,966	1,538,041	1,989,574	1,989,574	0
AMBULANCE REIMBURSEMENTS	472,501	0	472,501	472,501	0	472,501	0	0	0
LOCAL AGENCY FORMATION COMMISSION	173,400	0	173,400	154,000	0	154,000	(19,400)	0	(19,400)
COUNTY SCHOOLS	2,850,040	0	2,850,040	2,775,264	0	2,775,264	(74,776)	0	(74,776)
ADMINISTRATIVE/EXECUTIVE GROUP SUBTOTAL:	424,074,113	353,877,391	70,196,722	423,299,709	350,506,283	72,793,426	(774,404)	(3,371,108)	2,596,704
ASSESSOR	10,986,443	363,210	10,623,233	12,518,341	658,412	11,859,929	1,531,898	295,202	1,236,696
AUDITOR-CONTROLLER	12,494,542	9,689,972	2,804,570	14,647,191	12,486,168	2,161,023	2,152,649	2,796,196	(643,547)
TREASURER-TAX COLLECTOR	14,759,934	13,089,868	1,670,066	16,605,989	14,296,283	2,309,706	1,846,055	1,206,415	639,640
FISCAL GROUP SUBTOTAL:	38,240,919	23,143,050	15,097,869	43,771,521	27,440,863	16,330,658	5,530,602	4,297,813	1,232,789
ARCHITECTURE AND ENGINEERING	634,174	0	634,174	566,758	0	566,758	(67,416)	0	(67,416)
FACILITIES MANAGEMENT DEPARTMENT	12,110,568	5,645,888	6,464,680	11,813,001	5,572,292	6,240,709	(297,567)	(73,596)	(223,971)
UTILITIES	15,730,303	0	15,730,303	15,647,049	0	15,647,049	(83,254)	0	(83,254)
PURCHASING	1,112,209	10,000	1,102,209	1,073,018	35,000	1,038,018	(39,191)	25,000	(64,191)
REAL ESTATE SERVICES	2,142,465	1,547,050	595,415	2,213,960	1,549,650	664,310	71,495	2,600	68,895
RENTS	571,138	323,000	248,138	208,652	0	208,652	(362,486)	(323,000)	(39,486)
INTERNAL SERVICES GROUP SUBTOTAL:	32,300,857	7,525,938	24,774,919	31,522,438	7,156,942	24,365,496	(778,419)	(368,996)	(409,423)
COUNTY TRIAL COURTS-DRUG COURT	358,096	358,096	0	491,957	491,957	0	133,861	133,861	0
GRAND JURY	201,460	0	201,460	204,359	0	204,359	2,899	0	2,899
COUNTY TRIAL COURTS- INDIGENT DEFENSE	9,219,969	0	9,219,969	8,704,969	0	8,704,969	(515,000)	0	(515,000)
COUNTY TRIAL COURTS-JUDICIAL BENEFITS/FAC COSTS	1,873,598	0	1,873,598	2,034,597	0	2,034,597	160,999	0	160,999
COUNTY TRIAL COURTS-MAINTENANCE OF EFFORT	34,090,295	23,721,081	10,369,214	35,725,112	25,098,622	10,626,490	1,634,817	1,377,541	257,276
DISTRICT ATTORNEY-CRIMINAL	37,083,842	21,353,905	15,729,937	38,899,528	23,481,734	15,417,794	1,815,686	2,127,829	(312,143)
DISTRICT ATTORNEY-CHILD ABDUCT	773,000	0	773,000	807,087	0	807,087	34,087	0	34,087
LAW & JUSTICE ADMINISTRATION	115,587	49,000	66,587	127,740	5,000	122,740	12,153	(44,000)	56,153
PROBATION-ADMIN/COMM CORRECTIONS	33,879,650	20,846,422	13,033,228	35,876,996	22,884,596	12,992,400	1,997,346	2,038,174	(40,828)
PROBATION-COURT ORDERED PLACEMENTS	7,382,883	0	7,382,883	5,382,883	0	5,382,883	(2,000,000)	0	(2,000,000)
PROBATION-DETENTION CORRECTIONS	42,043,813	16,003,119	26,040,694	44,827,870	13,366,748	31,461,122	2,784,057	(2,636,371)	5,420,428
PROBATION-PRETRIAL DETENTION	512,610	0	512,610	0	0	0	(512,610)	0	(512,610)
PROBATION-AB 1913 GRANT	260,781	260,781	0	0	0	0	(260,781)	(260,781)	0
PUB ADMIN/PUB GUARDIAN/CONSERVATOR/CORONER	5,468,851	1,259,556	4,209,295	5,509,433	1,147,521	4,361,912	40,582	(112,035)	152,617
PUBLIC DEFENDER	19,718,736	500,000	19,218,736	20,358,388	250,000	20,108,388	639,652	(250,000)	889,652
SHERIFF	257,886,910	170,859,153	87,027,757	280,605,166	192,124,726	88,480,440	22,718,256	21,265,573	1,452,683
LAW AND JUSTICE GROUP SUBTOTAL:	450,870,081	255,211,113	195,658,968	479,556,085	278,850,904	200,705,181	28,686,004	23,639,791	5,046,213



Department Title	Final Budget 2003-04:			Final Budget 2004-05:			Change Between Final 2003-04 & Final 2004-05:		
	Appropriation	Revenue	Local Cost	Appropriation	Revenue	Local Cost	Appropriation	Revenue	Local Cost
ECON DEV/PUBLIC SERVICES GROUP ADMINISTRATION	65,856	0	65,856	59,876	0	59,876	(5,980)	0	(5,980)
AIRPORTS	2,461,753	2,422,940	38,813	2,503,423	2,468,134	35,289	41,670	45,194	(3,524)
AGRICULTURE, WEIGHTS AND MEASURES	5,195,346	3,433,055	1,762,291	5,301,606	3,552,266	1,749,340	106,260	119,211	(12,951)
MUSEUMS	3,844,442	2,231,590	1,612,852	3,829,730	2,315,417	1,514,313	(14,712)	83,827	(98,539)
ECD-ECONOMIC PROMOTION	780,751	0	780,751	991,122	0	991,122	210,371	0	210,371
ECD-SMALL BUSINESS DEVELOPMENT	200,107	40,000	160,107	156,214	0	156,214	(43,893)	(40,000)	(3,893)
LAND USE SERVICES - CURRENT PLANNING	2,292,380	2,292,380	0	2,461,076	2,461,076	0	168,696	168,696	0
LAND USE SERVICES-ADVANCED PLANNING	3,395,955	2,142,113	1,253,842	3,387,890	2,263,881	1,124,009	(8,065)	121,768	(129,833)
LAND USE SERVICES-BUILDING AND SAFETY	5,629,926	5,629,926	0	7,387,219	7,387,219	0	1,757,293	1,757,293	0
LAND USE SERVICES-CODE ENFORCEMENT	2,960,413	408,200	2,552,213	3,027,404	582,690	2,444,714	66,991	174,480	(107,499)
LAND USE SERVICES-FIRE HAZARD ABATEMENT	1,951,682	1,951,682	0	2,169,641	2,169,641	0	217,949	217,949	0
PUBLIC WORKS-REGIONAL PARKS	6,766,471	5,812,110	954,361	7,521,062	6,129,148	1,391,914	754,591	317,038	437,553
PUBLIC WORKS-SURVEYOR	3,310,588	3,310,588	0	3,613,235	3,563,358	49,877	302,647	252,770	49,877
REGISTRAR OF VOTERS	4,484,686	1,744,134	2,740,552	3,416,632	740,744	2,675,888	(1,068,054)	(1,003,390)	(64,664)
FRANCHISE ADMINISTRATION	298,177	0	298,177	311,701	0	311,701	13,524	0	13,524
ECON DEVELOP/PUBLIC SERVICES SUBTOTAL:	43,638,543	31,418,728	12,219,815	46,137,831	33,633,574	12,504,257	2,499,288	2,214,846	284,442
AGING AND ADULT SERVICES	8,147,202	8,147,202	0	8,184,557	8,184,557	0	37,355	37,355	0
CHILD SUPPORT SERVICES	39,889,326	39,889,326	0	41,478,447	38,694,021	2,784,426	1,589,121	(1,195,305)	2,784,426
ADMINISTRATIVE CLAIM	297,664,713	286,197,963	11,466,750	323,382,345	310,052,303	13,330,042	25,717,632	23,854,340	1,863,292
CHILD ABUSE / DOMESTIC VIOLENCE	1,380,611	1,380,611	0	1,411,699	1,411,699	0	31,088	31,088	0
ENTITLEMENT PAYMENTS (CHILD CARE)	93,919,917	93,919,917	0	82,397,695	82,397,695	0	(11,522,222)	(11,522,222)	0
CHILDRENS OUT OF HOME CARE	338,164	0	338,164	367,618	0	367,618	29,454	0	29,454
AID TO ADOPTIVE CHILDREN	17,152,146	15,946,603	1,205,543	25,193,425	23,987,882	1,205,543	8,041,279	8,041,279	0
AFDC-FOSTER CARE	97,635,819	83,857,781	13,778,038	100,802,968	87,328,206	13,474,762	3,167,149	3,470,425	(303,276)
REFUGEE CASH ASSISTANCE	520,000	520,000	0	100,000	100,000	0	(420,000)	(420,000)	0
CASH ASSISTANCE - IMMIGRANTS	1,053,030	1,053,030	0	1,053,030	1,053,030	0	0	0	0
CALWORKS-FAMILY GROUP	196,553,943	192,123,884	4,430,059	196,029,188	191,128,458	4,900,730	(524,755)	(995,426)	470,671
KIN-GAP PROGRAM	3,351,569	2,795,803	555,766	4,556,185	3,793,024	763,161	1,204,616	997,221	207,395
AID FOR SERIOUSLY EMOTIONALLY DISTURBED	3,345,010	2,613,701	731,309	3,794,651	3,063,342	731,309	449,641	449,641	0
CALWORKS-2 PARENT FAMILIES	18,846,462	18,408,416	438,046	15,072,908	14,694,577	378,331	(3,773,554)	(3,713,839)	(59,715)
AID TO INDIGENTS	1,275,123	330,986	944,137	1,361,560	342,470	1,019,090	86,437	11,484	74,953
VETERANS AFFAIRS	1,130,068	257,018	873,050	1,145,928	299,667	846,261	15,860	42,649	(26,789)
HUMAN SERVICES SYSTEM SUBTOTAL:	782,203,103	747,442,241	34,760,862	806,332,204	766,530,931	39,801,273	24,129,101	19,088,690	5,040,411
SUBTOTAL:	1,771,327,616	1,418,618,461	352,709,155	1,830,619,788	1,464,119,497	366,500,291	59,292,172	45,501,036	13,791,136
CONTINGENCIES	70,572,366	0	70,572,366	109,326,898	0	109,326,898	38,754,532	0	38,754,532
RESERVE CONTRIBUTIONS	8,887,258	0	8,887,258	3,390,532	0	3,390,532	(5,496,726)	0	(5,496,726)
OPERATING TRANSFERS OUT	7,914,731	0	7,914,731	9,845,098	0	9,845,098	1,930,367	0	1,930,367
TOTAL ALLOCATED COSTS:	87,374,355	0	87,374,355	122,562,528	0	122,562,528	35,188,173	0	35,188,173
GRAND TOTAL:	1,858,701,971	1,418,618,461	440,083,510	1,953,182,316	1,464,119,497	489,062,819	94,480,345	45,501,036	48,979,309

RESERVES

The county has a number of reserves and designations that have been established over the years for a variety of purposes. On January 6, 1998, the Board of Supervisors adopted a county policy to provide guidelines and goals for reserve levels. That policy calls for the county's general purpose reserves to equal 10% of locally funded appropriations. It also anticipates establishing special purpose reserves to help meet future needs.

	Year End Actual Balance					Budget
	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05
Total General Purpose Reserve	27.4	27.4	30.2	31.9	34.8	37.2
Specific Purpose Reserves						
Medical Center debt service	34.3	32.0	32.0	32.1	32.1	32.1
Justice facilities reserve	11.7	5.2	5.0	4.9	3.7	2.7
Juvenile maximum security reserve	1.2	1.5	1.5	1.5	1.5	1.5
Future retirement rate increase reserve	1.5	1.5	1.5	7.0	7.0	7.0
Equity Pool				1.9	4.4	4.2
Teeter			19.3	19.3	19.3	19.3
Restitution			8.9	2.1	2.1	2.1
Insurance				5.0	3.0	3.0
Electronic Voting System				5.7	-	-
Capital Projects Reserve				4.0	4.0	4.0
Bark Beetle				-	1.8	1.8
Museum's Hall of Paleontology					0.9	1.9
L&J Southwest Border Prosecution Initiative					3.4	3.4
Total Specific Purpose Reserves	48.7	40.2	68.2	83.5	83.2	83.0
Total Reserves	76.1	67.6	98.4	115.4	118.0	120.2

The County has several reserves. Some are for specific purposes, such as to meet future known obligations or to build a reserve for capital projects. The general reserves are funds held to protect the County from unforeseen increases in expenditures or reductions in revenues, or other extraordinary events, which would harm the fiscal health of the County.

For 2004-05, general-purpose reserves are increased \$2.4 million. The Museum Hall of Paleontology Reserve is increased by \$1.0 million. Uses of \$154,301 of the Equity Pool reserve are planned to fund the 2004-05 costs of approved equity adjustments. A planned use of \$1.0 million of the Justice Facilities reserve will be used to offset a portion of the cost of the most recent approved safety MOU.

